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**Vietnam:**

South Vietnam: A need to parry growing pressure for Saigon to participate in the Paris talks apparently caused President Thieu to surface the proposal that South Vietnam lead the allied side.

Recent reports indicated that some such proposal was to be announced early next week. Thieu's proposal restates Saigon's basic demand that South Vietnam have status equal to Hanoi's and superior to that of the National Liberation Front.

Other government moves to shore up its stance include new press controls and a postponement of plans to release some 140 Viet Cong prisoners.

\* \* \* \*

Allied initiatives resulted in minor clashes in the provinces north and northwest of Saigon on 7-8 November. At least 85 Communists were killed in actions involving platoon-sized and smaller enemy units.

Several Communist shellings were directed at allied installations, including two rocket attacks in the northern provinces. The rocket attack on a US Marine base south of the Demilitarized Zone (reported in yesterday's Bulletin) came from positions south of the Zone.

North Vietnam: Hanoi is not fully exploiting the propaganda potential of Saigon's refusal to go to Paris. The Communists may even believe that Saigon's recalcitrance undercuts their portrayal of the South Vietnamese Government as a "puppet."

The Communists nonetheless are doing their utmost to sow discord in South Vietnam and to fan fears that the US is moving toward an accommodation with the Communists. An appeal to South Vietnamese troops over Liberation Radio on 5 November picked up the theme of an impending US "sell-out" in which Saigon would either go along or be swept aside. It calls on South Vietnamese forces to support formation of a new "peace cabinet."

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Czechoslovakia: If anti-Soviet demonstrations continue, Dubcek may be forced to tighten domestic discipline or face another showdown with the Russians.

Dubcek still enjoys widespread popular support, especially among the youth and the workers. These groups are reportedly setting up joint committees throughout the country to arrange combined strikes on selected days to protest the Soviet military presence in Czechoslovakia. Their actions are most likely to call down conservative condemnation of Dubcek and may induce him to take punitive measures against dissidents in response to conservative pressures.

There is already some evidence of popular disillusionment with Dubcek's alleged willingness to make concessions to the Russians. During the nationwide anti-Soviet demonstrations on 6-7 November some marchers reportedly protested Dubcek's "cooperation" with Moscow.

Soviet official media have thus far ignored the latest flurry of anti-Soviet demonstrations. Only Radio Vltava, an unofficial Soviet outlet broadcasting in heavily accented Czech, has condemned the anti-Soviet demonstrators and demanded that they be suppressed. Pravda, on the other hand, claimed yesterday that thousands of pro-Soviet demonstrators took part in the memorial ceremonies at the cemetery; the paper did not report the anti-Soviet demonstrations.

There is little doubt, however, that the Soviet envoys in Prague can use the disturbances as another lever in their efforts to get the Czechoslovak leaders to clamp down on the dissidents, even though the police were used to disperse demonstrators and 167 arrests were reportedly made. Moscow could also cite the disturbances as the rationale for a move to topple the Czechoslovak leaders.

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Poland: The party congress, opening on Monday, will formally recognize that party leader Gomulka shares power with a rising generation of hard-liners.

Gomulka's efforts to control the selection of delegates to the congress have not been entirely successful. As usual, there is likely to be at least a one-third turnover in the central committee, but many of the new members probably will not be Gomulka's men.

Gomulka also is likely to lose a number of his old-guard supporters on the policymaking politburo, where even his chief aide, Zenon Kliszko, reportedly has been under attack from the hard-line faction. It is not clear, however, who will replace them. Gomulka himself, however, is not in serious danger of losing his post as the party's first secretary.

The congress reportedly will last at least six days instead of the usual four. A parliamentary session probably will follow to make the changes in the government which flow from shifts in the politburo.

Soviet and other Eastern European party leaders may attend the Polish party conclave.

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Panama: Several civilian groups, apprehensive over the possibility of prolonged military rule, have advanced proposals for a return to constitutional government.

One six-man commission, backed by former president De La Guardia, has proposed the appointment of a civilian president and two vice presidents, with the choices to be ratified by a national plebiscite. Despite provisional president Pinilla's sympathetic response to this plan and others, the various groups apparently have not influenced the real power holders, Colonels Torrijos and Martinez.

The two colonels continue to dictate appointments to the various government agencies. Sweeping changes in the social security fund, [redacted] have included the installation of Torrijos' extreme leftist younger brother as chief of personnel. Other "friends" of the national guard also hold prominent positions.

In neighboring Costa Rica, exiled supporters of deposed president Arias continue to talk about armed action to pave the way for his return. These groups are capable of isolated border attacks and some terrorism, but there is little likelihood that they could spark a popular uprising against the junta. [redacted]

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Brazil: Military and civilian discontent with the Costa e Silva government is growing.

A recently published "captains' manifesto" signals acute dissatisfaction with low military pay and poor personnel practices as well as concern over the army's deteriorating prestige. The young officers particularly criticize the government's failure to defend the army against charges that it has usurped power and is oppressing the people.

The manifesto has won support from some high military officers, especially those associated with the "hard line" who have long been urging a crackdown on "subversives." These officers will be further irritated by the recent bitter attack in the influential newspaper Jornal do Brasil on the "shameless dictatorship" and its harassment of the press.

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The administration's contest with Congress is another source of tension. The Supreme Court has officially requested that Congress revoke an opposition deputy's parliamentary immunity so that he may be tried for "subversion"--the offense was making a speech in Congress condemning the government's "militaristic leadership." Congress must choose between caving in, which would severely damage its power and prestige, and defiance, which would invite retaliatory measures.

In this atmosphere any serious new incident could force Costa e Silva to move toward more rigorous, authoritarian government.

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Arab States: Jordan and Egypt apparently can count on another year of vital financial support from the conservative Arab monarchies.

Saudi Arabia, Kuwait, and Libya have indicated that they will continue to send Amman and Cairo the substantial hard-currency payments they agreed to at the Khartoum summit conference in August 1967. These payments--\$106 million to Jordan and \$245 million to Egypt--make up 55 percent and 20 percent, respectively, of the two governments' revenues for this year.

Although the three donors had committed themselves to aid Jordan and Egypt "until the traces of Israeli aggression are removed," the benefactors had considered canceling their support after a year. Border incidents with Israel and the political situation in Jordan, however, have led the donors to agree to continue their assistance until at least the fall of 1969. Libya and Saudi Arabia have also given Jordan additional grant aid for military equipment.



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Pakistan: Student discontent erupted in violence in Rawalpindi and Karachi on 7 and 8 November, and the government has taken precautions against similar outbreaks in other cities.

During the past month, students have staged marches and strikes in a number of urban centers. Although at the outset based primarily on legitimate academic grievances, these demonstrations have taken on an increasingly political and antigovernment flavor. Despite occasional minor violence, however, the authorities had been able to keep the situation under control.

The current disorders began in Rawalpindi on 7 November, when police forcibly tried to disperse some 2,000 students who had assembled in defiance of a ban on public gatherings to greet ex - foreign minister Bhutto, one of the government's sharpest critics. A stone-throwing melee ensued when police fired into the crowd and killed one student.

Rioting continued in Rawalpindi on 8 November and also broke out in Karachi, apparently in reaction to the student's death. All schools have been closed in these two cities as well as in Peshawar and Lahore, the latter city being the next stop on Bhutto's current political tour.

The increasingly antigovernment tone of the disorders is a matter of some concern to President Ayub, particularly in this pre-election year. If Bhutto continues to be a cause of unrest in the areas he visits, the government may decide to arrest him, even though this could make a martyr of him and probably would stimulate further demonstrations. The government, however, has the capability to maintain public order and is unlikely to let the situation get out of hand.

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NATO: Several NATO members seem reluctant to take on new commitments to strengthen the alliance's defenses.

Officials in several countries have seized on a press account of alleged American views that there has been no increase in Warsaw Pact capabilities in the wake of the invasion of Czechoslovakia. Britain's defense secretary--who tends to softpedal the military implications of the Czechoslovakian crisis--in a speech this week argued that the Soviet troops in Czechoslovakia, whatever their number, would have to concern themselves primarily with containing the Czechoslovaks. Newspaper stories taking this line have appeared throughout Western Europe.

With the Soviets continuing to withdraw divisions from Czechoslovakia, reduced estimates of Soviet capabilities will probably be aired at the NATO ministerial meeting next week. In preliminary discussions, the Canadians have contended that the Soviet invasion necessitates no more than "qualitative improvements" in NATO's capabilities. German and Dutch officials have complained that they are having further difficulty squeezing new defense commitments out of their parliaments. [redacted]

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Italy: The effort to form a new center-left government faces difficulties.

Each of the three parties which made up the center-left government before the elections last May is trying to establish internal harmony in preparation for negotiations with the others. The Socialists and the small Republican Party are meeting now, and the Christian Democrats apparently plan to meet later this month.

The Socialists, who refused to re-enter the center-left coalition last July because of their election losses, are having extreme difficulty in resolving internal conflicts. Unless they are successful, party discipline in parliament may break down and negotiations with the Christian Democrats would be ruled out.

The minority Christian Democratic government, in power since last spring, has passed major economic legislation, obtained the long-sought agreement of the Vatican to taxes on its business income, and has promoted important commercial dealings with France. Nevertheless, other problems, including such important matters as labor unrest and educational reform to meet new student unrest, create pressure for installing a coalition government with majority support.

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Jordan: King Husayn seems to have come out on top for the moment in the conflict between terrorists and government security authorities in Amman. On 6 November the King publicly stressed that the crack-down on terrorists last weekend was directed solely against one small "seditionist" splinter group. He emphasized that no action was planned against other organizations. If Fatah and the other major groups refrain from creating disturbances in the capital, the present delicate truce probably will continue.

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Spain: The Spaniards are taking a realistic approach in their preparations for resumption of negotiations for the US-Spanish bases agreement.

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Spain's three military services will sharply reduce their earlier requests for US military assistance. Madrid has also publicized a letter from Secretary Rusk in a way to give the impression that the US had met one of Spain's principal demands for extension of the agreement.

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